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U.S. federal government trying to lure Wall St. stars

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NEW YORK (Reuters) - All is not lost for Wall Streeters deprived of their mega-salaries and lavish lifestyles following the financial tsunami that has wiped out so many jobs.

The U.S. government, suddenly at the helm of the financial industry, is swooping in to recruit Wall Street talent now that so many are jobless. Financial players willing to move a few hours south to Washington, D.C. and take a likely hit to their compensation might find a warm welcome in the U.S. capital.

Several agencies, including the U.S. Securities and Exchange Commission, Federal Reserve and Federal Deposit Insurance Corp, will be recruiting at an April job fair that the New York Society of Security Analysts (NYSSA) is holding for its members.

"The idea started in December, after Goldman Sachs and Morgan Stanley and others became bank holding companies," said Alvin Kressler, who was a financial analyst at Lehman Brothers before becoming NYSSA's executive director in 2006.

NYSSA predicted that government agencies would need to beef up their complement of analysts and people with experience in compliance and regulations. The available talent pool is large and growing, with 17,500 securities jobs lost in New York last year, according to the New York State Department of Labor. NYSSA, whose 11,000 members are primarily financial analysts and portfolio managers, doubled the size of its fair to accommodate demand. The thinking goes that government will need more people who can price these assets and manage portfolios.

Earlier this month, SEC Chairwoman Mary Schapiro said the Obama administration had requested a 9 percent budget increase in part to beef up the SEC's enforcement staff. An SEC spokesman said the agency regularly participates in job fairs.

WALL STREET DISCOUNT

A career detour to government is not without risk.

"Wall Street will not forgive that, Wall Street will discount government jobs," said Gustavo Dolfino, president of executive search firm The WhiteRock Group LLC.

"It's the mid-level professionals that don't have specific skills that are applicable to a dislocated market that are in fact considering government jobs," Dolfino said.

The very top of the Wall Street heap is either sitting out the storm or going overseas, eschewing jobs in Washington, he added.

What's more, those looking to Washington for a job will have to brace themselves for a big pay cut, headhunters said. An associate director job currently advertised on the SEC's website offers up to \$220,808 -- lower than the \$300,000 a mid-level Wall Street analyst might command. And a seasoned Wall Streeter may encounter culture shock in Washington after the go-go environment in the private sector.

"My gut feeling is that this is temporary," Dolfino said. "The only thing these people find appealing about government is the security of their paycheck."

Still, a government job can provide experience Wall Street finds valuable, such as regulatory expertise, even if Uncle Sam ultimately hands back control of finance to Wall Street, Kressler said.

(Reporting by Phil Wahba; Additional reporting by Rachelle Younglai in Washington, D.C.; Editing by Richard Chang)